

June 18, 2012

The Honorable Dave Camp U.S. House Committee on Ways and Means 1102 Longworth House Office Building Washington, D.C. 20515

The Honorable Sandy Levin
U.S. House Committee on Ways and Means
1102 Longworth House Office Building
Washington, D.C. 20515

Dear Chairman Camp and Ranking Member Levin:

Thank you for your strong leadership in bringing together a new miscellaneous tariff bill (MTB) process -- a vitally important piece of legislation for hundreds of large and small American manufacturers, their workers, and their customers. I am writing to let you know of NCTO's strong support for duty suspension legislation on acrylic fiber. H.R. 4446 extends the duty suspension on acrylic fiber and was introduced by Representative Howard Coble on April 19, 2012.

The National Council of Textile Organizations (NCTO) is a unique association representing the entire spectrum of the textile industry. From fibers to finished products, machinery manufacturers to power suppliers, NCTO is the voice of the U.S. textile industry.

Acrylic fiber is the primary raw material and highest cost input for U.S. textile manufacturers utilizing these fibers and currently must be imported because there is no domestic supplier for this product. Because acrylic fiber production has ceased in the United States, the imposition of a tariff on these products can no longer be justified, especially when such a tariff puts U.S. manufacturers at a competitive disadvantage. Due to the fact that U.S. production of acrylic fiber has ceased, the continued suspension of this duty should have no adverse consequences for domestic businesses and should not attract controversy. In addition, this duty advantage will benefit not only the domestic textile industry, but will deliver downstream benefits to customers and help sustain and promote job creation.

As you know, the current economic environment has put incredible demands on companies to become as lean as possible. While U.S. textile manufacturers are some of the most productive in the world, their ability to compete greatly depends on the continued ability of companies to source raw materials, i.e. acrylic fiber, at competitive prices. Because of the unique characteristics of these fibers — water resistant, fade resistant, durability — manufacturers who use these raw materials are at the high-end of the value-added chain and can compete against foreign manufacturers as long as they have access to raw materials at competitive prices.

Competitors in Canada, Europe, China, India, among others do not incur tariffs on acrylic fiber, and in order for U.S. producers who use these fibers to remain competitive, they must also be able to source these fibers at globally competitive prices since there is no longer a domestic supply of this product.

We thank you for your commitment to the miscellaneous tariff bill (MTB) and look forward to working with you as this process moves forward.

Thank you for your consideration of this request.

Sincerely,

Cass Johnson

President